

Deductions for Business Tax

Updated: September 2008

Federal and State Excise Taxes

<u>Fuels:</u>	<u>Rate:</u>
Federal: Gasoline Tax	\$.184 per gallon
State: Gasoline Tax	\$.20 per gallon
Federal: Diesel Fuel Tax	\$.244 per gallon
State: Diesel Fuel Tax	\$.17 per gallon
State: Special Tax - All Petroleum Products	\$.01 per gallon
State: Special Tax - Environmental Fee	\$.004 per gallon
Federal: Kerosene Tax	\$.244 per gallon
Federal: Liquefied Gas for Motor Vehicles (propane)	\$.14 per gallon
State: Liquefied Gas for Motor Vehicles (propane)	\$.14 per gallon

<u>Cigarettes</u>	<u>Rate:</u>
Federal: prior to 12/31/1999	\$.24 per pack
Federal: 1/1/2000 to 12/31/2001	\$.34 per pack
Federal: 1/1/2002 to present	\$.39 per pack
State: prior to 7/15/2002 (20 cigarettes per pack)	\$.13 per pack
State: prior to 7/15/2002 (25 cigarettes per pack)	\$.1625 per pack
State: 7/15/2002 to 6/30/2007 (20 cigarettes per pack)	\$.20 per pack
State: 7/15/2002 to 6/30/2007 (25 cigarettes per pack)	\$.25 per pack
State: 7/1/2007 to present (20 cigarettes per pack)	\$.62 per pack
State: 7/1/2007 to present (25 cigarettes per pack)	\$.775 per pack

<u>Other Tobacco Products</u>	<u>Rate:</u>
State: prior to 7/15/2002	6% of wholesale
State: 7/15/2002 to present	6.6% of wholesale
Federal: Large Cigars (more than 3 pounds per 1000)	20.719% of price, not to exceed \$48.75 per thousand
Federal: Small Cigars (3 pounds or less per 1000)	\$1.828 per thousand
Federal: Small Cigarettes (standard pack of 20)	\$19.50 per thousand/\$.39 per pack, as listed above.
Federal: Large Cigarettes (more than 3 pounds per 1000)	\$40.95 per thousand
Federal: Cigarette Papers (less than 6.5 inches)	\$.0122 per 50 papers
Federal: Cigarette Tubes (less than 6.5 inches)	\$.0244 per 50 tubes
Federal: Smokeless Snuff	\$.585 per pound
Federal: Chewing Tobacco	\$.195 per pound
Federal: Pipe Tobacco and Roll-Your-Own Tobacco	\$1.0969 per pound

<u>Beer</u>	<u>Rate:</u>
State Beer Barrelage Tax: prior to 7/15/2002	\$.126 per gallon or \$3.90 per barrel
State Beer Barrelage Tax: 7/15/2002 to present	\$.1386 per gallon or \$4.29 per barrel
State Wholesale Beer Tax	17% of retailer's purchase price form licensed wholesalers
Federal	\$.58 per gallon
Federal	\$18.00 per barrel